

Annual Report 2020



Contents

Introduction	2
About NIOK Foundation	4
Supporting CSOs in micro-donor fundraising	6
Information and knowledge transfer services	8
Technology for social good	10
Building Social Base and Embeddedness	12
Strengthening networks	14
Validation and regranting	15
Building recognition and visibility for CSOs	16
Support to Hungarian CSOs in the crisis	18

Introduction

2020 was a challenging year to all of us on many levels. When the COVID-19 pandemic hit Hungary in March our team was on our annual retreat, fine tuning the activities we had planned for the coming year in a former ship station on the bank of the Danube - but all of a sudden everything got shaken and reframed by an unexpected and unprecedented situation.

The pandemic brought changes in the way we lived and worked in Hungary (and around the world). **It also created an unusual and difficult situation for CSOs in general,** and left them with limited opportunities to make their voices heard, raise funds, keep in touch with the people they work with, and in many cases to continue their work effectively or at all. These issues affected a large number and a wide range of CSOs, who had not been prepared for such challenges.

As a long-time and acknowledged civil society support organization NIOK Foundation was a source of information and knowledge for most Hungarian CSOs, and an obvious choice to turn to in case of a crisis like this. We needed to reflect on and find optimal solutions to a situation that was initially a challenge even to ourselves to support organizations the best way we could. **We soon realized that our existing ecosystem (the Nonprofit.hu portal and newsletter, the Adjudkossze.hu fundraising platform, our training and consultancy services, and our CivilTech software donations program) provided a strong base to build on, to shape our work and create new, flexible processes around it.** Our team was ready to form working groups, restructure our capacities, and adapt to a new way of working and serving organizations.

Introduction

Thanks to the generous and quick support of our key donors we could provide complex support to Hungarian CSOs in the crisis. We also smoothly and successfully continued our core activities, moved all events online (including our entire social base building support program and its regional conference), held our annual Civil Society Awards ceremony outdoors in a city park, and started webinars with great success. The changes we made in our operation brought additional consciousness and flexibility to our work that we will continue to practice and utilize in the future.

I am grateful that amidst all the challenges and uncertainties our team stayed strong thanks to inspiring new opportunities, joint successes, occasional hikes when the situation allowed, and monthly online cooking classes by members of the team.

Balázs Gerencsér
Director

About NIOK Foundation

With its close to three-decade history, NIOK Foundation is one of the most well-known and acknowledged development organizations that supports Hungarian CSOs and the development of the civil sector with services and opportunities. **We work to strengthen civil society in Hungary through supporting organizations to make them stronger, more efficient and impactful, visible and acknowledged, and able to reach out to and mobilize various groups of society.**

The core of our work is a complex ecosystem of services and programs that offer steadily reliable support to innumerable organizations throughout their life cycle. We share relevant news, professional knowledge, learning opportunities, events and job offers on our Nonprofit.hu portal, a leading source of information for the sector. Our donation platform, Adjudkossze.hu has allowed Hungarian CSOs to raise 1.3 billion HUF to date through its various services and the related consultancy support. The CivilTech program has provided free and affordable tech solutions to organizations in the value of 3.8 billion HUF to date. Additionally, our various courses provide learning opportunities in the areas of online communication and fundraising, as well as tech solutions.

Besides operating as a constant support system, we have always been quick on our feet to respond and adapt to current challenges and unexpected changes. **This agility has allowed NIOK to create innovative solutions, and shape or change our programs tailored to CSOs' specific needs throughout the years.**

About NIOK Foundation

Since our foundation we have started and incubated a number of initiatives with the intention to thematize and strengthen further crucial aspects of civil society, and eventually let them on their own ways as separate organizations. These include the Volunteer Centre Foundation and the Self-Regulation Body of Fundraising Organizations. We are a founding member of various coalitions and working groups aiming to popularize the valuable work of CSOs, giving culture and create forums for dialogue with governmental bodies. NIOK is also a founding member of the Civilization coalition that was formed to counter attacks on civil society and strengthen trust in CSOs in Hungary.

Our dedicated team, both the long-serving senior management and our younger members, share the belief that a strong, independent and transparent civil society contributes to stronger, more diverse, democratic, fair and overall happier communities and eventually society. Our team of 12 is supported by an advisory board, a supervisory board and a financial committee in these endeavours.

Supporting CSOs in micro-donor fundraising

Local donors are key to sustaining an independent, strong and diverse civic sector. Apart from funding they are some of the most inner constituents of an organization: the most engaged, the most connected and the ones who feel ownership for the cause and want to make a difference. To support giving culture and local fundraising efforts of CSOs NIOK Foundation has developed and operates a fundraising portal in Hungary that is the first of its type and the most popular one. This multifunction donation platform, Adjukossze.hu provides services that allow bank card donations, crowdfunding campaigns, match funding campaigns, and text or call based donations. **To date Hungarian CSOs have raised more than 1.3 billion HUF through our fundraising services.**

The COVID-19 pandemic inspired unprecedented solidarity and philanthropy in Hungarian society: CSOs raised 333 100 000 HUF through our donation platform in total in 2020, which shows an amazing 20% increase from the previous year.

In this unprecedented crisis many organizations could reach out to new donors with causes that had rarely been involved in micro-donor fundraising in the past. Raising funds to support actors and other theatre professionals who could not work in independent theatres due to the pandemic, the Independent Performing Arts Association's campaign was the most successful one on our platform in 2020. Their campaign included peer-to-peer fundraising by acknowledged artists as well as an online event, and raised more than 5 M HUF.

Supporting CSOs in micro-donor fundraising

Both bank card donations (96 M HUF) and crowdfunding campaigns (110 M HUF for a record number of 140 campaigns) reached all-time records on the platform. We were thrilled to see a 31% increase in the total amount of regular donations as well, which demonstrates donors' deeper commitment to the organizations and their causes, and a definite development of giving culture in Hungary. The services of the platform were typically used by smaller or mid-sized organizations. In 2020 all together 293 CSOs raised funds in 341 campaigns through the platform, for the following causes: social 26.8%, animals & nature protection 21.5%, health 16.8%, educational 10.9%, culture 8.1%, human rights 4.5%, sports 2%, other 9.5%.

To help CSOs successfully raise funds in and beyond the crisis we provided online fundraising and communications consultancy support with increased capacities, and held 10 online fundraising and communication webinars for 337 participants in total.

333 100 000 HUF
raised on Adjukossze.hu

20% increase in donations from the previous year

31% increase in regular donations

10 online fundraising and communication webinars with **337** participants

Information and knowledge transfer services

In the mid '90s NIOK Foundation was one of the first to systematically gather news, information and knowledge relevant to Hungarian CSOs, and to make them publicly available on one central portal. **To date, Nonprofit.hu and the related weekly nonprofit newsletter play an essential role as a leading infrastructure and a source of up-to-date information and knowledge for CSOs in Hungary, including a knowledge center, an event calendar, grant calls and job offers.**

The main areas we cover in our knowledge transfer content and activities are: legal information, finances and accounting, human resources, transparency, fundraising, online communications, leadership and management, and tech solutions. In 2020 a significant proportion of our content covered pandemic related topics. We reached over 1.5 M page visits on Nonprofit.hu, shared 755 pieces of content and had 11 412 subscribers to our weekly newsletter. Due to the pandemic we moved all our courses online, and started additional webinars that addressed challenges related to the crisis. Throughout the year we held 23 webinars with 811 participants in total.

To deepen our knowledge, our staff members participated in various workshops, leadership courses and conferences. Several of our staff participated in TechSoup Europe's Megaphone conference on how social media and tech solutions can support activism and the fight against polarization and disinformation. One of our senior program managers took

Information and knowledge transfer services

part in Everyone Leads, an online Ashoka workshop on participatory leadership, and the International Visitor Leadership Program (IVLP) for civil leaders by the nomination of the US Embassy. Two of us participated in a 3-day workshop on building a communications strategy for CSOs in Ankara, Turkey, supported by Erasmus+, as a member of the TechSoup Europe Network. The rest of the workshops planned for our Erasmus+ project with the network were postponed to 2021.

1.5M

page visits on
Nonprofit.hu

755

pieces of
content

11 412

newsletter
subscribers

23

workshops with

811

participants
in total

Technology for social good

Digital transformation allows CSOs to become more productive in their everyday operations, and work to their full potential to accomplish their mission. **As a partner of the TechSoup Global Network and a member of TechSoup Europe, NIOK Foundation's CivilTech program has provided software donations and digital tools for CSOs for more than 13 years now.** In 2020 the program provided tech solutions from 16 partners, including Microsoft, Cisco, BitDefender, Adobe and Zoom.

In the past few years we realized that most organizations also need practical support in digital transformation; and this need has even been accelerated by the effects of the pandemic. **To answer this we provide tech-related training courses through various partnerships.** Our courses supported by Microsoft Hungary focused on how cloud based solutions can support effective team work, and addressed general as well as pandemic-related needs and challenges related to remote work and moving activities online. We also held a Zoom webinar in the first weeks of the pandemic to help organizations plan online meetings, and an Asana webinar to help with online project and task management. In the first months of the year we finished our successful Excel training series with the support of Morgan Stanley volunteers offline.

In 2019 we created the Civil Tech Hub in our offices – an inspiring space that accommodates tech related and other courses, workshops, networking and other events for CSOs. The Hub remained closed for most of 2020 and could only host 7 NIOK events and 14 external events

Technology for social good

with close to 200 participants total in the beginning of the year and late summer / early fall, when the situation temporarily got better.

219

organizations
supported through
the CivilTech
program

381

discounted orders
and donations
of tech softwares
and solutions

Market value of more than

500 000 000 HUF

10

tech-related
training courses with

220

participants

Building Social Base and Embeddedness

NIOK Foundation has been supporting CSOs in Hungary to improve their constituency building efforts since 2016, and has also transferred its methodology to partner organizations (OSF Prague, OSF Bratislava and FAOO in Poland) working with CSOs in the V4 region in the past years. The program runs in partnership with grant giving entities and is provided for organizations whose projects have been granted funding to build their social base. The regional partnerships in the OSIFE Social Base Building program as well as in the Stronger Roots program, funded by a Dutch family foundation, have been supporting altogether 60 CSOs in the region since January 2020. The supported organizations work in the fields such as human rights, minorities, investigative journalism, anti-corruption, active citizenship, education, people living with disabilities, conscious consumption, public transportation or participatory theatre.

Social base building is an approach, an active process and series of actions during which an organization gradually opens up and consciously reaches out to its beneficiaries, supporters and diverse groups of society, and builds an ongoing and mutual relationship with them. This relationship allows the organization to learn about and understand the community's needs, expectations, thinking or even actions, and build its activities, actions and communications based on them. Thus the organization becomes more reflective of social trends, able to react to situations and address people's needs, and engage more individuals and various groups of society as active or passive supporters of its work.

In the support program NIOK and its partners offer intense support by internal and external experts through personal mentoring, consultancy, training courses and

Building Social Base and Embeddedness

networking opportunities. It is a complex and flexible package specific to social base building and tailored to each organization's specific needs, and it gives meaningful additional value and benefits to their grants. Most importantly, the program creates a unique opportunity for CSOs to dedicate time to and focus on social base building.

Although the challenges of the pandemic were especially difficult in this program, we succeeded in adapting the support elements to an online environment, and making the best of them. Grantees of the Stronger Roots program rated the first year of the program 4.9 out of 5 in the framework of the program's strong evaluation process.

Besides its challenges, the pandemic also allowed many grantees to find new paths in social base building by reaching and engaging new audiences. Organizations that work in human rights and advocacy could also reach new groups of people who now had questions about their rights or experienced a violation of rights for the first time in this situation. The program helped them bring these new target groups closer to their organizations and strengthen their social base by engaging them as micro-donors, volunteers or supporters.

One organization, which works for participatory democratic culture in Hungary, reached people in the countryside and stay-at-home mothers who could now participate in their online workshops. A large human rights organization was approached by many people from outside their usual audiences with their questions related to pandemic regulations, and they created a branding campaign to bring them closer and engage them in the long run. Another organization, which teaches and popularizes math through outdoor competitions, engaged a great number of teachers and students through their online logic game, which came as useful for online teaching.

Apart from many local networking events we organized a half-day online conference for all 25 grantees of the OSIFE program in the V4 countries to share their experiences about fundraising, volunteering and activism, advocacy campaigns and networking.

We also developed and launched the support program specifically for media outlets and were contracted by OSIFE to support 8 local news portals in 2021.

Building Social Base and Embeddedness

Strengthening networks

Beside the social base building core program, a call for proposals for networks was published in the Stronger Roots program to strengthen the sector, and our consortium partner Gropolis now supports 9 networks in Hungary, Czechia and Slovakia in their efforts to engage new and diverse partners in their work. One Hungarian grantee, a climate protection network, works on engaging creation care groups of various religions and churches, as well as young progressive green organizations. A Czech network working for the reintegration of ex-prisoners works on bringing various actors together: prison service, frontline workers, social workers and members of the network. A Slovak network of artists and creatives works for a stable, efficient and transparent legal environment in their industry.

22

supported
organizations
in Hungary

230

hours of
mentoring

165

of consultancy for
Hungarian grantees

Stronger
Roots
program
rated

4.9

out of 5
by Hungarian
participants

60

CSOs
supported
in total in the
V4 region

Validation and regranting

Beside the validation services we provide in the CivilTech program, we also partner with various corporations to support their granting initiatives with grant management services.

The Meet and Code program, supported by SAP and run by the TechSoup Europe partnership, is more and more popular each year. The program provided a 400 Euro grant each for 45 projects to provide access to coding and digital skills for young people. One of the Hungarian projects by the Galgahévíz School Foundation, whose project presented local natural values, was also a nominee at the annual Meet and Code Award ceremony. Some other programs that we usually support with grant management services were unfortunately suspended due to the pandemic.

Boys learning in
a Hungarian Meet
and Code
project



Building recognition and visibility for CSOs

In the past years Hungarian CSOs' position has been weakened by numerous attacks on their credibility from the government. **In 2016 NIOK Foundation relaunched its annual Civil Society Awards program to raise awareness to unique and innovative civil initiatives and programs** that have achieved exceptional impact, generated overarching partnerships in between sectors, or inspired others to make social change. NIOK, in partnership with Civil Compass Foundation, acknowledges CSOs in 8 professional categories +1 people's choice award selected on our media partner Nlc's site each year, awarding the most promising newly established organization, the best fundraising campaign or the best advocacy initiative among others. The program was funded by MagNet Bank, our long-time sponsor.

98 CSOs applied for the Civil Society Awards in 2020, half of the applicants from outside of Budapest. 27 nominees, and finally 10 winners were selected. Winners included a program giving care to babies so that their young mothers can continue their studies, a grassroots initiative to improve local public lighting, and a successful peer-to-peer fundraising campaign based on a board game night that supported Roma children's after-school studies. The people's choice award was voted for publicly by more than 11 000 voters. The award ceremony was held outdoors, in a nice park in the center of Budapest, adjusted to the current regulations and possibilities.

Building recognition and visibility for CSOs

NIOK also stands up against attacks targeting CSOs and civil society. As a significant part of this work we are a founding member of the Civilizáció coalition, whose main goal in the past years has been to stop the government's measures to list and stigmatize CSOs that receive foreign funding. With the European Committee's decision that condemns the law we have made a significant step towards our goal.

The Civil Society
Awards ceremony
in 2020



The Civil Society Awards ceremony in 2020

Support to Hungarian CSOs in the crisis

The COVID-19 pandemic hit Hungary in March 2020, and brought unprecedented challenges to Hungarian CSOs. Many of them needed urgent extra funds to support vulnerable communities and individuals most impacted by the pandemic, or to help the organization sustain and adapt their operation in the crisis. Moving online was also a great challenge to many organizations. **To provide complex support to Hungarian CSOs in the crisis, we formed working groups within our team, engaged extra capacities, and created flexible processes to shape our activities and thematic focuses tailored to the organizations' needs. The project has shaped our programming not only for the crisis period but also long-term.**

How to keep an efficient
Zoom webinar –
Promotion
for NIOK's
webinar

Hogyan tartunk
hatékony webinárt
Zoomon?
ONLINE KÉPZÉS



Support to Hungarian CSOs in the crisis

We created an extensive collection of 60 pieces of content specific to the related challenges (remote work solutions, operational and legal news and changes, online fundraising and communications, etc.), and started designing and organizing webinars for the first time in our history. The webinars covered relevant topics including remote work applications, project management, online fundraising and communications, planning in uncertainty, etc. We held 9 webinars specific to the crisis, attended by close to 530 participants, and moved all our other courses online as well. To support CSOs' fundraising efforts we cancelled services fees for our fundraising platform, Adjukossze.hu, and supported 80 campaigns in the crisis with increased consultancy capacities, helping them raise 180 M HUF in total. Crowdfunding donations showed a 10x increase in March, and an incredible 18x increase in April. We also shared inspiring stories to create awareness of CSOs' valuable work and increased solidarity in the crisis. Among many others, we shared the news about successful fundraising campaigns for Roma high school and university students so they could continue their studies, and for animal shelters who stopped receiving food donations due to logistical difficulties in the pandemic. We reached close to 200 000 people through social media and an estimated 9.2 million through 40 press features.

